United Nations DP/2004/25

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.: General
18 May 2004

Original: English

Annual session 2004
14 to 23 June 2004, Geneva
Item 9 of the provisional agenda
Evaluation

Follow-up on evaluations with regard to PRSPs and MDG reports and addressing the PRSP-MDG linkages*

1. The management response to the evaluation of the role of UNDP in the PRSP process (DP/2003/35) advocated that UNDP should champion equity as an integral component of growth strategies, help link long-term development policies to the causes of poverty and promote a healthy national dialogue by fostering greater policy choice, especially on economic policies.

2. UNDP has launched an array of global and regional programmes to address these objectives. A nine-country Asia-Pacific programme – the Macroeconomics of Poverty Reduction – was initiated in early 2002 with the objective of: (a) translating the concept of 'pro-poor growth' into practical policy recommendations at the country level; (b) fostering greater consistency between economic policies and poverty reduction strategies; and (c) promoting a broader dialogue on policy options. The programme, a joint effort between the Regional Bureau for Asia and the Pacific and the Bureau for Development Policy, has examined the impact of macroeconomic and adjustment policies on growth, inequality and poverty.

3. Similar policy-oriented research and capacity development have been undertaken in Latin America and the Caribbean and in Eastern Europe and the Commonwealth of Independent States (CIS). A similar programme has recently commenced in the Arab States, and another will start soon in Africa. Focused on pro-growth and pro-jobs, such work now has a global scope, particularly concentrated on long-term capacity development.

4. The principal motivation of such programmes is to strengthen national policy autonomy in the formulation and implementation of poverty reduction strategies, particularly the poverty reduction strategy papers (PRSPs). UNDP has been increasingly linking its long-standing support to national ownership, participatory

* The collection of data required to present the Executive Board with the most current information has delayed submission of the present document.

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processes and poverty monitoring for such strategies to the promotion of policy choice and dialogue.

5. Since 1999, UNDP has refocused its work on poverty reduction from a myriad of micro-projects to national policy frameworks. Its contribution now shows a rising concern for policy content, not just policy process, and the assessment of the impact of anti-poverty policies, not just monitoring of poverty trends. Furthermore, it encourages civil society organizations to advance their own policy proposals, not just passively consult on pre-determined strategies.

6. As a result of the regional and national programmes that have focused on the poverty impact of economic policies, UNDP has initiated several new global programmes in 2004, based largely on financing by the Thematic Trust Fund for Poverty Reduction. These include initiatives on pro-poor public investment, the effect on poverty of the privatization of public services and utilities, land reform and poverty reduction, and pro-poor domestic resource mobilization. In addition, UNDP has reached an agreement with the International Labour Organization (ILO) on a global programme on employment and poverty, based on the conviction that jobs form a crucial link between growth and equity.

7. The work increasingly emphasizes the training of *national* policymakers and building *national* institutions to enhance *national* ownership of the poverty agenda, and increasingly stresses the need for mobilizing domestic resources and talent instead of relying excessively on external funds and consultancies. Where national absorptive capacity needs strengthening, special efforts are geared toward capacity building as a major approach to development cooperation.

8. As recommended in the management response, UNDP is also upgrading in-house capacity, for example, through training (illustrated by the recent session for a selection of country-based colleagues on pro-poor fiscal policies) and the consolidation of expertise at the sub-regional level through the new regional centres of policy specialists, based on expertise located in the subregional resource facilities (SURFs) and the regional programmes.

9. The current challenge for UNDP is to help to link the MDGs and the PRSPs by making short-term reforms fit into long-term comprehensive development plans. In 2003, UNDP proposed to the World Bank to operationalize this linkage in a few representative pilot countries; and in 2004 it hopes to collaborate on a joint initiative on poverty and social impact analysis (PSIAs). Although UNDP, along with the United Nations system, focuses on monitoring and reporting on MDG progress, it simultaneously seeks to engage with national policymakers on the national budget and on policy content for achieving the MDG targets. The effort remains riveted to enhancing capacity for national policymaking and planning.

10. In 2003, work on MDG country reporting followed a three-tier approach of: (a) conducting regional workshops for orientation and training on the MDGs; (b) producing country and regional MDG reports for public awareness and advocacy; and (c) enhancing statistical literacy to improve data access and use. The resources from the Millennium Trust Fund support a large number of country and regional reports; improve their quality as non-technical documents that give a disaggregated picture of the MDG status vis-à-vis tailored targets; and create a stronger sense of national ownership. The MDG reports or reviews are meant to help

to influence public debate on pro-poor policy reforms needed for reaching the targets by 2015.

11. Eleven workshops and forums were held in eight subregions on the MDGs in 2003, covering more than 100 countries in Africa, Asia and the Pacific, Latin America and the Caribbean, and Europe an the CIS. They provided a platform for representatives from government, civil society and the country teams to familiarize themselves with the different aspects of the MDGs and to agree on a plan of action for MDG reporting.

12. The main purpose of MDG reporting is to use empirical evidence to highlight agreed priorities, inform the public and policymakers on progress and trigger action to meet time-bound targets. When widely shared and publicized, such data help to build an active constituency for the MDGs within the country and abroad. Some 70 country MDG reports have been issued so far, in addition to five regional reports. All the reports are available on the UNDP web site at www.undp.org/mdg. While the quality of the reports varies, the trend is improving in terms of focus, tailored targets, disaggregated monitoring and national ownership.

13. Steps have been taken to address the seven challenges presented by the assessment team. Closer collaboration between the monitoring and campaign units is helping to address the communication and campaign challenges. The United Nations Development Group (UNDG) Guidance Note on MDG Country Reporting has been revised to address the participation and reporting challenges. The UNDG has also published the Indicators for Monitoring the Millennium Development Goals: Definitions, Rationale, Concepts and Sources to promote a better understanding of the MDG indicators. Country teams are working to bring more civil society organizations (CSOs) in the process. With regard to the statistical challenge, UNDG members are focusing more closely on statistical capacity. In terms of the challenge vis-à-vis global cooperation, a seminar was organized in Bergen, Norway, to assemble senior officials from both donor and developing countries to discuss the issue of mutual accountability. With UNDP support, a common format for developed country reporting on MDG 8 was prepared with the secretariat of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) and a group of bilateral donors. One DAC member, Denmark, has issued its report on MDG 8 and at least seven others are following. The European Union recently decided to prepare a consolidated contribution to the international stocktaking of the MDGs in 2005, particularly focused on MDG 7 on environment and MDG 8 on the global partnership for development.

14. Traditionally, external support for statistics has focused on the supply of data (mostly through surveys and censuses) while generating public demand for reliable and timely data has received little attention. Lack of statistical capacity featured highly in the workshops and reporting exercises. As statistics on human development have improved in recent years – wider coverage, better quality and greater timeliness – the challenge is increasingly shifting from data collection to managing the growing amount of information for public and policy advocacy.

15. At the country level, there are many players involved in the production of information through administrative reporting systems, surveys and censuses. UNDP is helping to improve the management and accessibility of such data. The ultimate challenge is to enhance the statistical literacy of users by increasing the capacity in

government and among key stakeholders. Capacity development for MDG monitoring and basic statistical literacy is an area where UNDP is intensifying its operational support, in close collaboration with relevant United Nations organizations and the World Bank. Its particular focus will be on making MDG-related data more accessible, using disaggregated data by sex, level of education, ethnicity, rural-urban location, region and socio-economic status.

16. The aim is to make data more accessible by setting up a central repository, using DevInfo or any preferred software; and by training stakeholders on MDG indicators and their sources and methods.

17. The link between the PRSP and the MDGs is essentially a challenge of making shorter-term policy frameworks consistent with longer-term goals. The best way of achieving this is by setting intermediate targets at the country level for the next three to five years that are in line with those for 2015. This can only be done through an inclusive debate among key stakeholders. By doing so, the MDGs, as an accountability framework for the current political leadership, will be enhanced. Otherwise long-term targets will not guarantee immediate action because they cannot be achieved under the watch of today's political leadership. They must be broken down into actionable propositions that are achievable within the lifetime of the current government. The PRSP will then become the policy note that accompanies the memorandum on the national budget for the next three years.